

Official Record Copy
Office of Personnel

OP MEMORANDUM NO. 20-31-52

6 April 1982

OFFICE OF PERSONNEL MEMORANDUM

SUBJECT : Dual-Pay Restrictions Affecting Retired Members of
the Uniformed Services

RESCISSION: OPM 20-31-45 dated 18 April 1979

1. When a retired member of the uniformed services, or a member who will be retiring prior to accepting civilian employment, is being considered for Agency employment, the Staff Personnel Division of the Office of Personnel will advise the prospective employee that dual-pay restrictions may apply.

2. Under Section 5532, Title 5, United States Code, the following provisions apply to retired members of the uniformed services employed as civilians by the Federal Government:

a. Members of the uniformed services who retired as officers of a reserve component or as enlisted personnel of either a reserve or a regular component, whose retirement was effective on or before 11 January 1979, are entitled to receive both the full pay of the civilian grade and their full retirement pay.

b. Except as noted in subparagraph c, following, a retired officer of a regular component, regardless of his or her retirement date, is entitled to the full pay of the civilian grade, but the retired pay will be reduced to an annual rate equal to the first \$5,999.44 (a figure effective as of 1 March 1981, and still current) of the retired pay plus one-half of the remainder. The \$5,999.44 figure will be increased from time to time, in proportion to each increase in retired pay to reflect changes in the Consumer Price Index. The appropriate amount at any given time may be obtained from Military Personnel Branch/SPD. (The \$5,999.44 figure has increased over time from \$2,000.) An application of the reduction formula used is as follows:

Annual annuity of the retired regular officer : \$15,000.00

Amount of the annuity allowed to be retained
according to latest increase in the CPI : \$ 5,999.44

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Remainder, as difference between the two above	:	\$ 9,000.66
1/2 of the Remainder	:	\$ 4,500.28
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Amount of annuity to be retained according to latest increase in CPI	:	\$ 5,999.44
Plus 1/2 of "Remainder"	:	\$ 4,500.28
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Equals reduced annuity to be received while employed as civilian		\$10,499.72

c. Any retired member of a uniformed service (whether regular or reserve, officer or enlisted) whose retirement from the service was effective after 11 January 1979 is entitled to the full pay of the civilian grade, except that the total amount that can be received from a combination of civilian salary and retired pay cannot exceed the base salary for Level V of the Executive Schedule. Should the combined amount exceed the base salary for Level V, the excess will be deducted from the retired pay.

d. The reduction in retired pay referred to in subparagraphs b. and c. do not apply to the annuitant whose retired pay is based on disability resulting from injury or disease received in the line of duty as a direct result of armed conflict, or caused by an instrumentality of war and incurred in the line of duty during a period of war.

3. The Transactions and Records Branch, or Contract Personnel Division if appropriate, will take the necessary steps to ensure that reports are submitted to the appropriate uniformed services finance centers on all retired members of the uniformed services the Agency may employ.

✓ James N. Glerum
Director of Personnel

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